

Proposal to City of Wilmington

Sale of Property Located at 1110 Castle Street to TRU Impact (a non-profit organization)

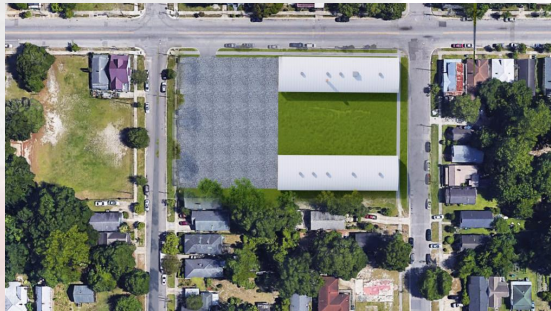
Phase 1- Cleanup, Move In, Get Started



Phase 2- Construction



Current Property Condition





What is TRU Impact

TRU Impact is a **non-profit organization** based in Wilmington NC committed to its mission of combatting **street violence, generational poverty, and racial divisiveness** across America.

TRU Impact **provides facilities and services** to organizations that are executing at a high level in areas that **further the TRU Impact mission**.





TRU Impact Real Estate

TRU Impact purchases real estate in Opportunity Zones in select cities across America, and leases the facilities to organizations (non-profit and for-profit) that execute well and align with its mission of combatting street violence, generational poverty, and racial divisiveness.

TRU Impact is expert in Impact and Opportunity Zone Investing, and uses its expertise and network of investors and philanthropists to purchase real-estate properties in areas where the organization can be most impactful.

TRU Impact then recruits well-aligned organizations to these areas. The key criteria used for selecting organizations that TRU Impact would provide facilities and services to are, does the organization:

1. Create living wage jobs (\$30k+)
2. Provide career and life-skills education that lead to stability, growth and a living wage job
3. Provide services that drive racial diversity and unity
4. Provide services that reduce violence in the community



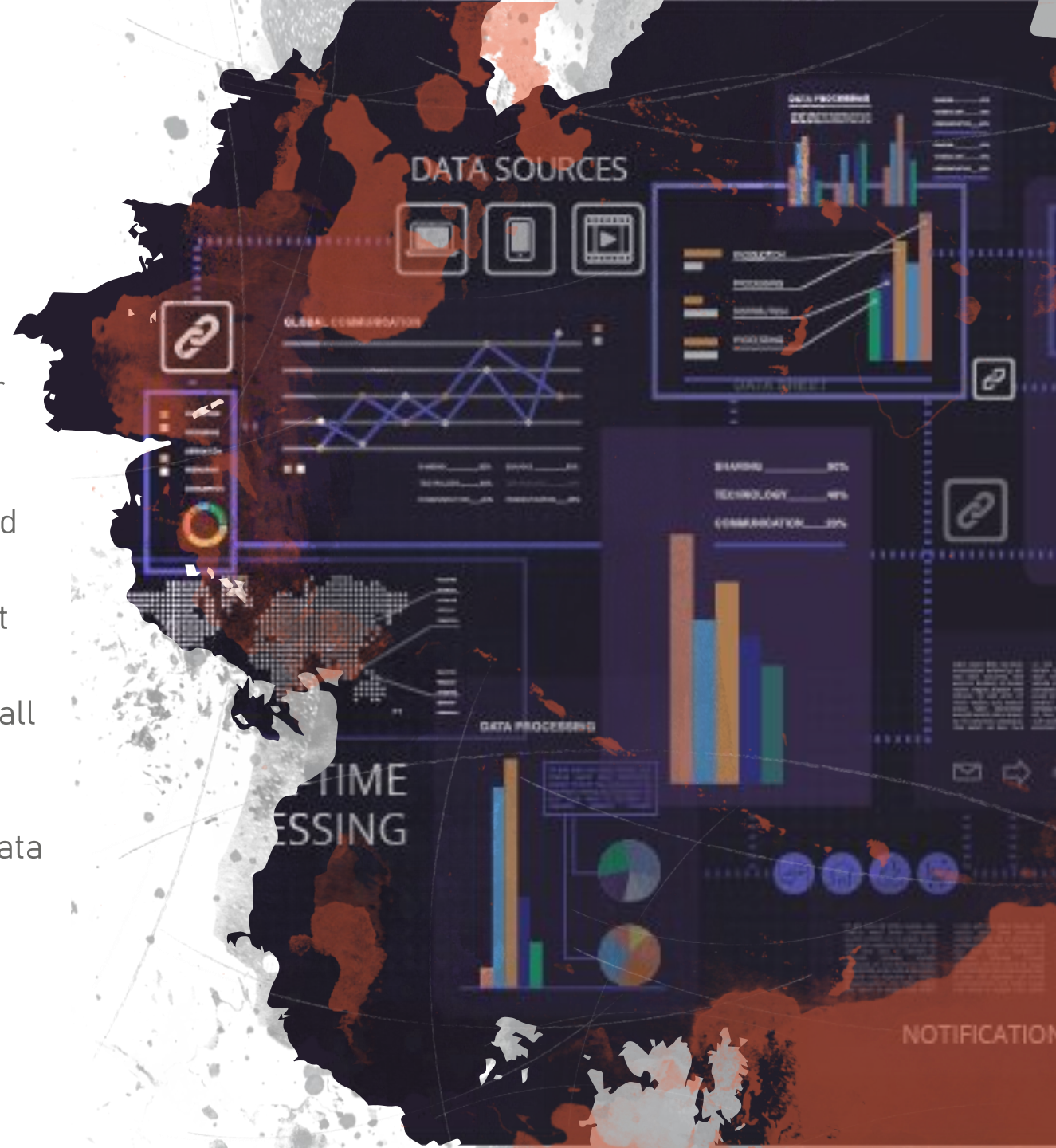
TRU Impact **Services**

TRU Impact is committed to clarity of mission and the ability to objectively measure the success of the outcomes of its partner organizations.

With this in mind, TRU Impact has invested in developing processes, standards and systems to capture relevant data and predict and analyze what drives mission success.

Specifically, TRU Impact requires all partner organizations that lease space in their facilities to work with them to:

1. Define clear and measurable success goals/outcomes for all mission projects
2. Clearly define the KPI's that are assumed to drive each partner organization's success, and provide monthly KPI data that TRU Impact will analyze and report from.



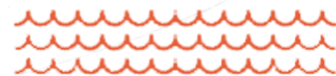
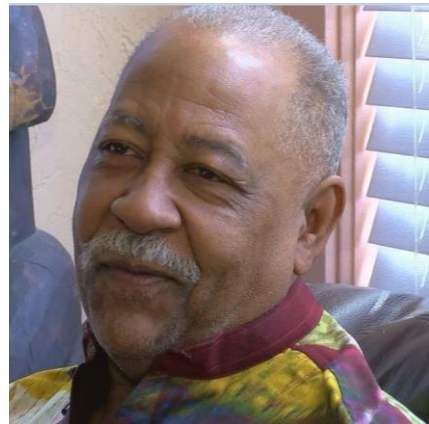
TRU Impact Board of Directors



George Taylor
CEO TRU Colors

George is a serial entrepreneur, having founded nine companies ranging from financial and consumer software, to automotive services and technology, to TRU Colors, a brewery that employs active gang members (think Bloods, Crips, GD, etc.)

Today George is the Chairman of Untappd, the largest beer app in the world with over 9 million users and 16 thousand businesses on the platform. He is also Chairman of National Speed, an innovative startup positioned to disrupt the performance automotive industry.

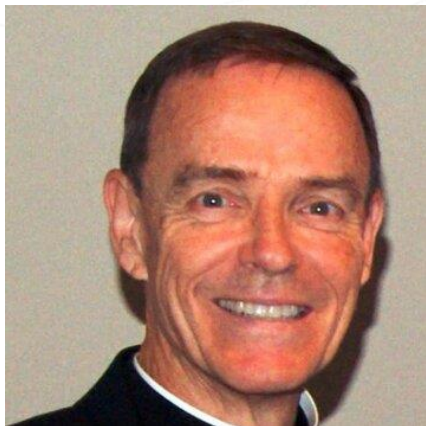


Lewis Hines
Chairman Southside Economic Development Corp.

Lewis is a Wilmington native and has lived in downtown Wilmington his entire life. Throughout his career Lewis has been successful as a serial entrepreneur and most recently was a Business Agent at the North Carolina Port for the International Longshoremen's Association- Local 1426.

Today Lewis is active in supporting the Northside and Southside downtown communities, and is the Chairman of the Southside Community Development Corporation.

TRU Impact Board of Directors



Edwin Leahy
Headmaster St. Benedict's
Preparatory School

Edwin is the Headmaster of St. Benedict's in Newark NJ, a school working primarily with at risk urban students. 78% of SB's students are Black or Latino, and more than half come from low-income families. Many of have faced significant challenges related to chronic poverty and racism,

At the core of SB's philosophy is a rich tradition of community, leadership and excellence. St. Benedict's emphasizes building a supportive community as much as academic excellence.

While only 73% of our country's Black and Latino students graduate from high school, SB's graduation rate is almost 100%. And 98% of SB graduates attend college, and 87% earn a college degree.



Khalilah "KO" Olokunola
VP HR TRU Colors

KO spent her teens on the streets of Brooklyn with the cities' most notorious gangs. She eventually faced the consequences and lost her name for 4-years to a Department of Corrections number.

Throughout it, KO remained adamant about education, and spent nights imagining the American dream she saw on TV. It didn't include a picket fence, but instead an opportunity to impact the lives of others.

Today KO is VP of Human Resources, where she is the force behind defining a company culture and curriculum that drives both personal and professional growth. In her "free time", KO is also an accomplished author, speaker and personal coach to women entrepreneurs.

TRU Impact's Proposal

1. Purchase **1110 Castle Street** in a private sale as defined under NC statute GS#
2. **Pay fair market value** to be determined by a 3rd party appraiser
3. Develop the property, with partners, by **enhancing** the existing buildings and **increasing space** to approximately 30,000 square feet. (See drawings on page 13)
4. Use the property to **serve TRU Impact's mission** (in line with the **Public Good**). TRU Impact's mission is to combat street violence, generational poverty, and racial divisiveness. For this property, TRU Impact is **committing to partner** with organizations that:
 - Create **50+** living wage jobs (\$30k+)
 - Provide career and **life-skills education** that lead to stability, growth and **living wage jobs**
 - Provide services that drive **racial diversity** and unity
 - Provide services that **reduce violence** in the community
5. TRU Impact offices and services will be provided from this property
6. The primary tenant for this property will be **TRU Colors**, a Social Impact Company that is able to deliver on #4 above.



Primary Tenant Profile – TRU Colors

Number of **Employees: 42**

Starting Salary: \$30,000

Business Divisions:

- TRU Colors is working to launch **breweries/brewpubs in Wilmington and select cities across the country**. In addition, TRU Colors has partnered with a large-scale brewery to brew, package and **distribute its flagship beer at scale**.

Social Mission/Impact Divisions:

- TRU Colors has developed **a unique 2 month on-boarding curriculum** that prepares each of its employees before they begin work.
- The Company has developed **professional and personal development curriculum** that is ongoing for the team and tightly integrated
- The Company has developed **TRU Events and DisruptU as outward-facing** community educational/unity/growth curriculum and experiences

TRU Colors **Company Divisions**

Products

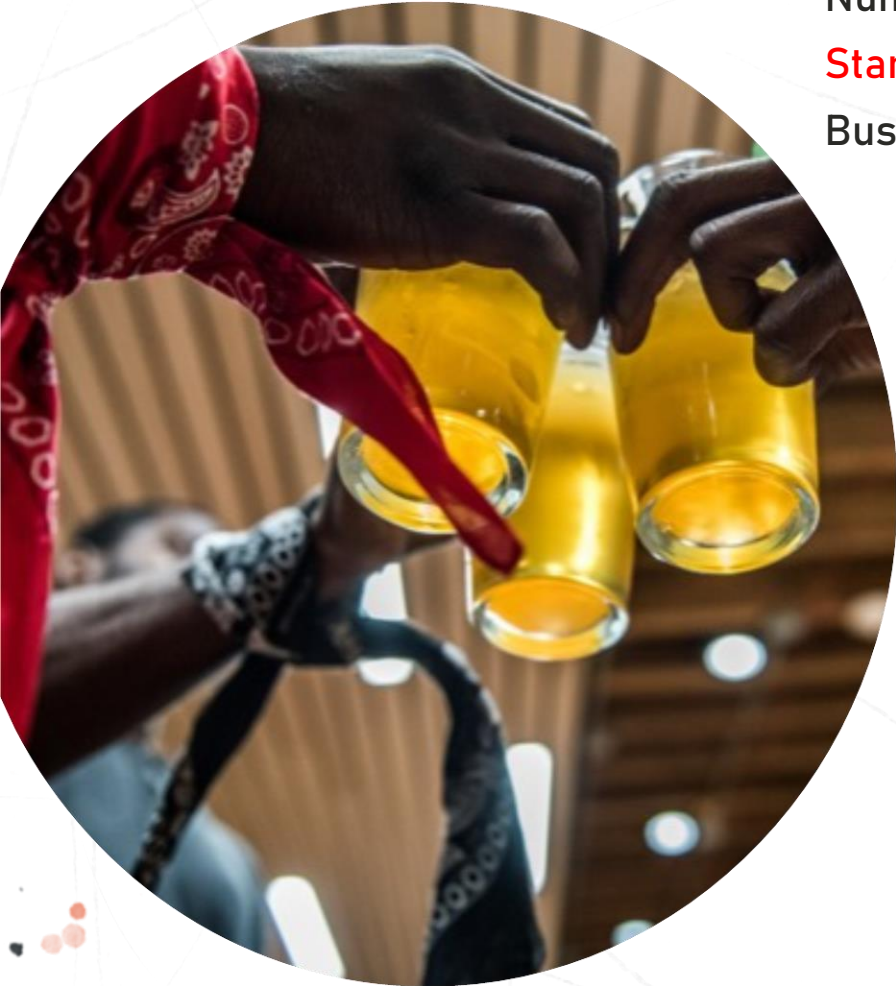
TRU
Beer

Social Mission/Impact

TRU
Work

TRU
Studios

TRU
Events



Re-purposing 1110 Castle Street

TRU Colors has an immediate need for space and wants to begin engaging the downtown community. To facilitate the utilization of this property, TRU Impact has developed a 2-phase plan:

Phase 1: Repair, Move In, Get Started

- Repair the building closest to Castle Street so that it could be used for initial brewing, Company offices, and meeting rooms for DisruptU (community outreach).
- Cleanup the grounds by installing a gravel parking lot and an open grassy area (size dependent on construction needs for Phase 2)

Phase 2: TRU Impact Expansion

- In 2019-H2 (timeline based on closing prior to 4/19), TRU Impact, along with TRU Colors and other tenants, plans to build a ~30,000 sqft building to house its:
 - Corporate offices
 - DisruptU meeting rooms
 - Brewery
 - Restaurant





Redefining Community Development

TRU Impact is **redefining development** in a 21st century way. By taking a holistic approach to community development that includes real estate, jobs, and education, TRU Impact meets communities where **they are, maintains the community culture**, and builds a better future for all.

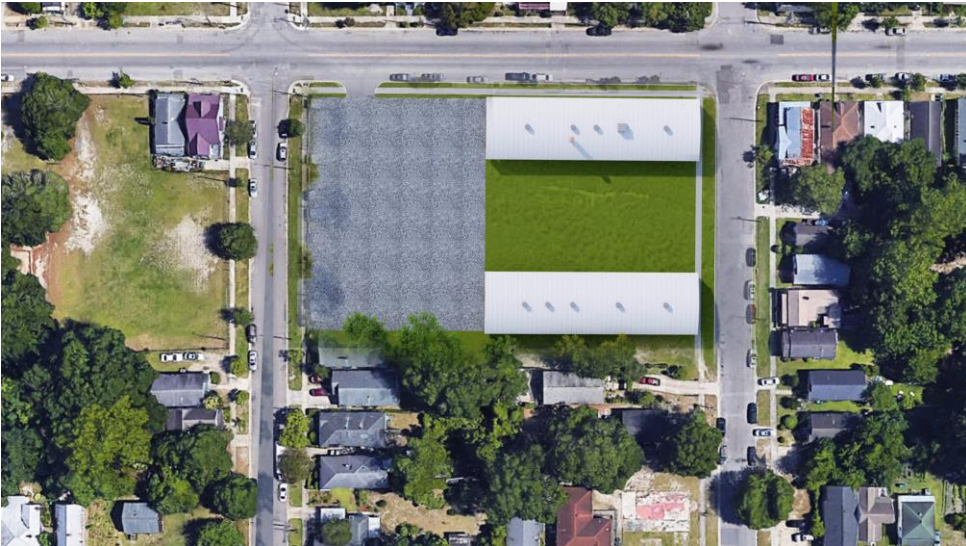
And the Wilmington **downtown community supports** the TRU Impact vision.

TRU Impact and its partners have **broad support for this proposal**, and have gathered over 1,300 names and emails from community stakeholders. (see attached)

TRU Impact also has the support of the **Southside Economic Development Corporation**, who previously had developed plans for the property.



Phase 1- Repair, Partners Move in



TRU Impact and Partners Spark Revitalization

“Anchor Tenant”: If TRU Impact can purchase 1110 Castle, TRU Colors will become the **anchor tenant that sparks others** to revitalize the Castle Street community. Others include :

- **Social impact real estate investors** wanting to restore houses to rent/sell to people in the community (like TRU Colors employees and others)
- Small businesses wanting to **revitalize and move into** abandoned Castle St buildings (like TRU Colors entrepreneur wanting to open a laundromat on Castle Street)

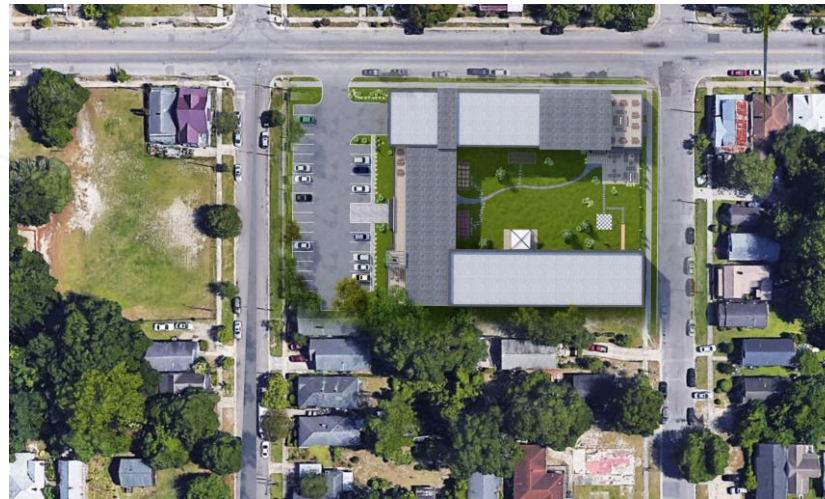
Reduced Crime: TRU Colors uses its street influence to reduce crime and street violence in Wilmington. Being in the heart of downtown will significantly increase the Company’s ability to do so.

Education & **Community Support:** TRU Colors has many events and educational programs that will be **open to the community**.

Preservation: TRU Colors is committed to preserving the downtown culture while building **a diverse and vibrant community**



Phase 2- TRU Impact Expansion



What Does Expansion Bring?

TRU Impact seeks to **expand and improve** the facility at 1110 Castle Street to further enhance the **Public Good**. By expanding the facility during phase 2, TRU Impact will allow **TRU Colors to expand operations** and continue to drive TRU Impact's mission by:

- Increasing the number of potential **ILM Jobs provided** (by end of 2020) to **100+**
- Providing more community area residents with a **starting salary of \$30,000** + benefits/company ownership

The expansion at **1110 Castle St** will facilitate the growth of community programs that are a part of **DisruptU** by providing additional space for **classrooms** and conference rooms. These include:

- **Health** and wellness classes
- Cooking and **nutrition** classes
- Leadership and **entrepreneurship** seminars
- **Goal setting** and financial literacy classes



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